

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of:)	
)	
Petition for Rulemaking of the)	
Cellular Telecommunications Industry)	RM- 9920
Association Concerning Implementation)	
Of WRC-2000: Review of Spectrum and)	
Regulatory Requirements for IMT-2000)	

REPLY COMMENTS OF
TELEPHONE AND DATA SYSTEMS, INC.

Telephone and Data Systems, Inc. ("TDS") in accordance with §1.405(b) of the FCC's Rules, hereby files its Reply Comments in the above-captioned proceeding. TDS, a provider of wireline telephone and wireless service through its subsidiaries TDS Telecom, Inc. ("TDS Telecom")¹ and United States Cellular Corporation ("USCC"),² supports the "Petition for Rulemaking" ("Petition") filed by the Cellular Telephone Industry Association ("CTIA"). For the reasons given below, TDS urges the FCC to move expeditiously to designate additional spectrum for third generation wireless ("3G") service.

¹ TDS Telecom currently serves approximately 596,000 access lines through 115 subsidiary companies in 28 states.

² USCC serves approximately 2.8 million customers in 44 Metropolitan Statistical Areas and 100 Rural Service Areas. TDS, in both its wireline and wireless entities, has chosen to concentrate on the provision of service to rural America.

I. 3G Is Of Critical Importance To The Wireless Industry And The FCC Should Consider How Best To Implement It.

CTIA, in its Petition (pp. 1 – 4), ably summarizes the facts concerning the astonishing growth of first and second generation wireless systems and the capabilities which 3G or "IMT-2000" wireless will offer to the people of the United States and the world. The promise of 3G has clearly energized the telecommunications world, as is evidenced by the spectacular success of NTT DoCoMo's i-mode system in Japan and the \$35 billion and \$46 billion paid in auctions for 3G licenses in the United Kingdom and Germany.

TDS considers it especially important that the interests of rural wireless providers and their customers be considered at every stage of the 3G administrative process. Moreover, if the promise of 3G is to be kept for rural Americans, 3G systems must be licensed in a manner which is fair to all applicants, including the designation of service areas which offer a reasonable likelihood of commercial success to rural providers.

The first critical decision the FCC must make to ensure fairness and equity in the 3G licensing process is the choice of which frequency bands will be allocated to 3G. As is stated by CTIA (Petition, p. 6), the 1992 and 2000 World Radio Conferences have identified the bands 1885 – 2025 MHz, 2110 – 2300 MHz, 1710 – 1885 MHz and 2500 – 2690 MHz as potentially usable for 3G. CTIA has also rightly noted that the "critical mass" of world telecom administrations will "likely focus on IMT-2000 deployment within some portion of the 1710 – 1885 and 2500 – 2690 bands."

CTIA, at pp. 6 – 8 of its Petition, sets out both the reasons why the FCC should expeditiously consider which bands should be allocated for 3G and the reasons why the allocation of bands within the 1710 – 1885 MHz and 2500 – 2690 MHz ranges may make sense from the standpoint of American global competitiveness. TDS has made no judgment on what the best course may be for the Commission to take, but considers the case for immediate FCC action to consider these issues to be irrefutable.

TDS also agrees with CTIA that the FCC should urgently review the present uses of those bands, the benefits associated with such uses and the feasibility of sharing between those existing uses and IMT-2000, as well as possible transition and timing issues (Petition, pp. 9 – 10).

II. The Comments Of Many MMDS and ITFS Licensees Are Unduly Narrow In Perspective.

In their comments, MMDS/ITFS trade associations, licensees and applicants oppose CTIA's Petition, frequently referring to their applications to provide fixed wireless broadband service in the 2500 – 2690 MHz band. They also, *inter alia*, challenge the need to designate additional spectrum for 3G services, endorse the consideration of other spectrum for any additional allocation for 3G usage, and express scepticism about the need for U.S. 3G spectrum to be "harmonized" with that of other countries, disparaging, for example, the value of "global" roaming.³

³ See, e.g. the Comments of Nucentrix Broadband Networks, Inc., Sprint Corporation and Worldcom, Inc.

TDS considers it entirely understandable that companies will seek to protect their existing frequency allocations and previous investments. But it believes that the FCC must review those issues from the perspective of the United States' long term best interest, which includes the provision of 3G service, which, unlike MMDS service, includes the crucial function of mobility, on the same frequencies as our global allies and trading partners.

Again, TDS does not seek to prejudge the issues in this proceeding and believes that MMDS/ITFS interests should have a full opportunity to make their case. But if the FCC ultimately decides that the provision of 3G service on frequencies used by MMDS/ITFS licensees offers all Americans, including rural Americans, the best chance of enjoying the advanced wireless services of the future, then the FCC should find a way to permit 3G uses on those frequencies. The FCC cannot grant any group of licensees a veto power over actions it deems to be in the nation's best interest.

In any case, what is now in the nation's best interest is that the FCC should move forward with a rulemaking proceeding, as recommended by CTIA.

III. CONCLUSION

For the foregoing reasons and those given by CTIA, the FCC should begin the formal process of determining which frequencies it should designate for the provision of 3G service.

Respectfully submitted,

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